



UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

March 2022 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

KIMBERLY ANN MILETTA,

Defendant.

CR 2:22-cr-00195-MEMF

I N D I C T M E N T

[18 U.S.C. § 1343: Wire Fraud;  
18 U.S.C. § 981(a)(1)(C) and 28  
U.S.C. § 2461(c): Criminal  
Forfeiture]

The Grand Jury charges:

COUNTS ONE THROUGH FIVE

[18 U.S.C. § 1343]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

1. Company A was a book and audio publishing company owned by J.O.

2. Defendant KIMBERLY ANN MILETTA was a resident of Ventura, California, and the president of Company A.

3. Defendant MILETTA hired her romantic partner to work at Company A.

1           4.     J.O. had a checking account at Bank of America ("J.O.'s  
2     Personal Checking Account"). Defendant MILETTA held a power of  
3     attorney over J.O.'s Personal Checking Account and was a co-signor on  
4     the account. Defendant MILETTA was authorized to access J.O.'s  
5     Personal Checking Account to pay J.O.'s bills. Defendant MILETTA was  
6     not authorized to access or use J.O.'s Personal Checking Account to  
7     purchase items for herself or for her family, friends, or romantic  
8     partners.

9           5.     Company A had a checking account at Bank of America (the  
10    "Business Checking Account"). Defendant MILETTA was a signatory on  
11    the Business Checking Account. Defendant MILETTA was authorized to  
12    use the Business Checking Account to pay for Company A's business  
13    expenses. Defendant MILETTA was not authorized to use the Business  
14    Checking Account to pay for personal expenses for herself or for her  
15    family, friends, or romantic partners.

16          6.     Defendant MILETTA was authorized to use an American Express  
17    credit card issued in defendant MILETTA's name (the "Business Credit  
18    Card") that was linked to a corporate credit card account in  
19    Company A's name to pay for Company A's business expenses. Business  
20    Credit Card transactions were processed through servers in North  
21    Carolina. Defendant MILETTA was not authorized to use the Business  
22    Credit Card to pay for personal expenses for herself or for her  
23    family, friends, or romantic partners.

24    B.    THE SCHEME TO DEFRAUD

25          7.     Beginning in or about October 2013, and continuing until at  
26    least in or about January 2018, in Santa Barbara, Ventura, and Los  
27    Angeles Counties, within the Central District of California, and  
28    elsewhere, defendant MILETTA, together with others known and unknown

1 to the Grand Jury, knowingly and with intent to defraud, devised,  
2 participated in, and executed a scheme to defraud J.O. and Company A  
3 as to material matters, and to obtain moneys, funds, assets, and  
4 other property by means of material false and fraudulent pretenses,  
5 representations, and promises, and the concealment of material facts.

6 8. The scheme to defraud operated, in substance, as follows:

7 a. Defendant MILETTA used her access to J.O.'s Personal  
8 Checking Account, the Business Credit Card, and the Business Checking  
9 Account, and her role as president of Company A, to misappropriate  
10 and cause others to misappropriate money and goods from J.O. and  
11 Company A. Specifically, defendant MILETTA: (1) used her access to  
12 the Business Credit Card to pay for defendant MILETTA's own  
13 unauthorized personal expenses and the unauthorized personal expenses  
14 of defendant MILETTA's romantic partner, family members, and friends;  
15 (2) used her access to the Business Checking Account to cause  
16 Company A to pay rent for defendant MILETTA's romantic partner;  
17 (3) used her position as president of Company A to cause Company A to  
18 buy and resell a 2004 Dodge Truck in a way that resulted in a profit  
19 to defendant MILETTA and to her romantic partner and a loss to  
20 Company A; and (4) used her access to J.O.'s Personal Checking  
21 Account to make unauthorized wire transfers from that account for  
22 defendant MILETTA's own gain.

23 Unauthorized Use of the Business Credit Card

24 b. As defendant MILETTA knew, defendant MILETTA  
25 frequently used the Business Credit Card for unauthorized, personal,  
26 non-business-related expenses such as payments to purchase designer  
27 clothing, purses, and sunglasses; airline tickets for defendant  
28

1 MILETTA's sister; veterinary services, pet supplies, and pet  
2 accessories; spa treatments; and mattresses and rugs.

3 c. In order to conceal her conduct, defendant MILETTA  
4 falsely represented to J.O. that defendant MILETTA was using the  
5 Business Credit Card only for gas and office supplies, and  
6 intentionally omitted the material information that she was using the  
7 Business Credit Card for unauthorized, personal, non-business-related  
8 expenses.

9 d. Additionally, despite the fact that J.O. told  
10 defendant MILETTA that J.O.'s personal funds were not to be used to  
11 pay off any balances on the Business Credit Card issued to defendant  
12 MILETTA, defendant MILETTA caused the balances on the Business Credit  
13 Card to be paid from J.O.'s Personal Checking Account, rather than  
14 the Business Checking Account. As defendant MILETTA knew,  
15 Company A's bookkeeper reviewed all of Company A's expenses and  
16 accounted for them in Company A's books and records. By causing the  
17 balances on the Business Credit Card to be paid from J.O.'s Personal  
18 Checking Account, rather than from the Business Checking Account,  
19 defendant MILETTA evaded the bookkeeper's review of the expenses  
20 charged to the Business Credit Card, which allowed defendant MILETTA  
21 to continue her fraudulent scheme undetected.

22 Unauthorized Use of the Business Checking Account

23 e. Between approximately January 2017 and January 2018,  
24 without authorization, defendant MILETTA used her access to the  
25 Business Checking Account and her position as president of Company A  
26 to cause Company A to pay for unauthorized, personal, non-business-  
27 related expenses for defendant MILETTA's romantic partner, including  
28 rent payments.

1 f. Defendant MILETTA concealed from Company A's  
2 bookkeeper that defendant MILETTA was causing Company A to pay rent  
3 for defendant MILETTA's romantic partner, and defendant MILETTA  
4 caused the payments to be falsely recorded in Company A's accounting  
5 records as warehouse rent.

6 Sale of 2004 Dodge Truck

7 g. On or about March 18, 2013, defendant MILETTA bought a  
8 2004 Dodge truck with a vehicle identification number ending in 9602  
9 ("the Dodge") for approximately \$13,000.

10 h. Approximately three years later, on or about April 5,  
11 2016, defendant MILETTA caused Company A to buy the Dodge for  
12 approximately \$15,532, which defendant MILETTA knew was a grossly  
13 inflated price.

14 i. On or about October 27, 2017, defendant MILETTA caused  
15 Company A to sell the Dodge to defendant MILETTA's romantic partner  
16 for just \$1,500. Defendant MILETTA then caused Company A to  
17 reimburse defendant MILETTA's romantic partner for the purchase. Two  
18 months later, on or about December 1, 2017, defendant MILETTA's  
19 romantic partner sold the Dodge for \$6,500.

20 j. As a result of these sales, defendant MILETTA made a  
21 profit of at least approximately \$2,532; defendant MILETTA's romantic  
22 partner made a profit of at least approximately \$6,500; and Company A  
23 suffered a loss of at least approximately \$17,032.

24 Unauthorized Use of J.O.'s Personal Checking Account

25 k. On or about October 16, 2013, without authorization,  
26 defendant MILETTA used her power of attorney over J.O.'s Personal  
27 Checking Account to wire approximately \$47,360 out of J.O.'s Personal  
28 Checking Account to purchase a luxury car for herself. On or about

1 October 28, 2013, without authorization, defendant MILETTA used her  
2 power of attorney over J.O.'s Personal Checking Account to wire  
3 approximately \$973,213 out of J.O.'s Personal Checking Account to  
4 purchase a home for herself on Breaker Drive in Ventura, California  
5 (the "Breaker Property").

6 1. In connection with completing the purchase of the  
7 Breaker Property, defendant MILETTA falsely represented to a title  
8 company that J.O. had signed a third-party deposit form instructing  
9 the title company to deposit the funds from the unauthorized wire  
10 transfer into an escrow account, and authorizing the title company to  
11 use the funds to complete the escrow for the Breaker Property. In  
12 fact, as defendant MILETTA knew, J.O. had not signed the third-party  
13 deposit form, had not authorized the wire transfer, and had not  
14 authorized the title company to use any of J.O.'s funds in connection  
15 with the purchase of the Breaker Property.

16 9. As a result of defendant MILETTA's scheme, J.O. and  
17 Company A lost a combined total of at least approximately \$1.3  
18 million.

19 C. USE OF THE WIRES

20 10. On or about the dates set forth below, in Santa Barbara,  
21 Ventura, and Los Angeles Counties, within the Central District of  
22 California, and elsewhere, for the purpose of executing the above-  
23 described scheme to defraud, defendant MILETTA, together with others  
24 known and unknown to the Grand Jury, transmitted and caused the  
25 transmission of the following items by means of wire and radio  
26 communication in interstate and foreign commerce:

COUNT	DATE	INTERSTATE WIRE TRANSMISSION
ONE	1/31/2017	Electronic transmission of approximately \$2,214 to LoCali Management Group to pay personal rent from the Business Checking Account without authorization.
TWO	6/23/2017	Electronic transmission of approximately \$3,973 to Advanced Veterinary Specialists to purchase veterinary services on the Business Credit Card without authorization.
THREE	10/10/2017	Electronic transmission of approximately \$2,320 at Thibiant Beverly Hills Med Spa to purchase spa treatments and beauty products on the Business Credit Card without authorization.
FOUR	12/7/2017	Electronic transmission of approximately \$5,419 to The Sleep Shoppe in Ventura, California, to purchase a mattress and box springs on the Business Credit Card without authorization.
FIVE	1/31/2018	Electronic transmission of approximately \$2,214 to LoCali Management Group to pay personal rent from the Business Checking Account without authorization.

FORFEITURE ALLEGATION

[18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of defendant KIMBERLY ANN MILETTA's conviction of the offenses set forth in this Indictment.

2. Defendant MILETTA, if so convicted, shall forfeit to the United States of America the following:

(a) All right, title, and interest in any and all property, real or personal, constituting, or derived from, any proceeds traceable to the offense, including but not limited to the real property located at 3276 Breaker Drive in Ventura, California 93004, Assessor Parcel Number 074-0-210-065; and

(b) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), defendant MILETTA, if so convicted, shall forfeit substitute property, up to the value of the property described in the preceding paragraph if, as the result of any act or omission of defendant MILETTA, the property described in the preceding paragraph or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to, or deposited with a third party; (c) has been placed beyond the jurisdiction of the

//



1 court; (d) has been substantially diminished in value; or (e) has  
2 been commingled with other property that cannot be divided without  
3 difficulty.

4 A TRUE BILL

5  
6 /S/

7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
Foreperson

8 TRACY L. WILKISON  
9 United States Attorney

10 

11 SCOTT M. GARRINGER  
12 Assistant United States Attorney  
13 Chief, Criminal Division

14 KRISTEN A. WILLIAMS  
15 Assistant United States Attorney  
16 Acting Chief, Major Frauds Section

17 SCOTT PAETTY  
18 Assistant United States Attorney  
19 Deputy Chief, Major Frauds Section

20 CAROLYN S. SMALL  
21 Assistant United States Attorney  
22 Major Frauds Section